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DIRECTOR OF CENTRAL INTELLIGENCE
Security Committee

August 29, 1978
SECOM-D-361

*SC-05113/78
(assigned by
Rella on 10/12/78)*

MEMORANDUM FOR: Director of Security

FROM:

[REDACTED]

SUBJECT:

Fall Out of Kampiles Case (U)

1. (U) This memorandum is for your information. It comments on possible Community ramifications of the CIA review of security policy practices and procedures.

2. (C) Background

In the late 1960s and early 1970s there was considerable CIA concern over the policy, practices and procedures of SCI systems. The DCI directed a review in 1971 under the guidance of [REDACTED] of CIA's participation in the SI, TK [REDACTED]. The Office of Security's Special Security Center played a leading role in this review.

The review included a detailed analysis of extant policies and commented on application of policies to practices. The overall conclusions of this study were set forth in an exhaustive report and the DCI endorsed their implementation, agreed with the observations and encouraged unilateral CIA modification of controls so as to ease the burden of policy mandates.

The study showed that the extant policy in each of the three systems was outdated and insufficient to meet the realities. Written in an earlier age when the volume of SCI material was small, no updating or modifications had been conducted over the years to keep pace with the ever increasing volume. Practicality forced unrecognized unauthorized changes in procedures.

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The study showed that authorities in the different systems were diverse and not reinforcing. A recommendation was made for a centralized authority. A recommendation was made for standardization of procedures. A recommendation was made to eliminate the existing waiver of TOP SECRET control requirements since this represented weaker controls than SCI was supposed to provide.

The study acknowledged that CIA could not unilaterally foster changes in the SCI policies, but did encourage the DCI to adopt unilateral modifications within CIA so as to ease control requirements while at the same time requesting the Community to update the policies. This was done and some unilateral actions were taken in CIA. (See Tab A).

The Community was not tasked at this time (1971) to work up standard procedures for handling all SCI; however, the task was subsequently addressed by the Security Committee. This effort resulted in the production of DCID 1/19 which became effective in June 1978.

The issue of centralized authority for SCI determinations was kept on a back burner for some years, but concentrated attention resulted from subsequent studies and a draft DCID was set before NFIB members in March 1978 which would centralize authority in the Security Committee.

Work was undertaken to revise and update various policies. The SIGINT Committee has drafted a revision of DCID 6/3 which sets forth Security Controls for Communications Intelligence. It has not yet been issued. The COMIREX, with input from the Office of Security's Special Security Center, has drafted but not yet published a revision of the TALENT-KEYHOLD manual. CIA adopted unilaterally some of the security procedures spelled out in this manual. The DIA has recently published their own updated TK manual (copied almost verbatim from the COMIREX draft).

3. Current Status

The extant manuals have fallen into disrepute. Huge volumes of SCI material rendered the old procedures

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impractical. Necessity forced unilateral modifications by many members of the Community. CIA is one which has unilaterally adopted modifications of procedures without concomitant modification of policy.

The recently passed DCID 1/19 served as a stimulus to surface some of the different practices. Questions of interpretation of DCID 1/19 have been raised. These questions indicate that departments and agencies want to obtain an interpretation of policy to accommodate disparate practices. This is most evident in questions about requirements on wrapping and couriers. There are other questions that have not been raised to the Community level yet having to do with markings, logging and receipting. One question by NSA at the 4 March meeting reflects that controls provided in DCID 1/19 were overly stringent and unworkable if enforced within production agencies such as NSA, DIA and CIA. An accommodation (big enough to drive a truck through) was made and adopted by NFIB and incorporated in the version of the DCID which NFIB endorsed and the DCI approved.

No serious question has been raised in the Community about continuation of the use of the "Center" concept for control of SCI. This concept provides for initial receipt and registration for SCI material at a single point and subsequent free flow, without additional controls as long as the material stays in the "Center". Originally this was an acceptable and quite secure means of controlling SCI. A "Center" was one or two rooms, the volume of material was small and segregable from any other material, and the number of people was small and all were cleared for access. The "Centers" were intended to hold just one type of SCI. Thus we speak of TALENT Control Centers, SI Control Centers [redacted] 25X1 Centers. Time and events overtook this simple, clean concept. The volumes of materials from SCI sources far exceeded any expectations. The one or two room "Centers" expanded to cover entire floors and then entire buildings, reaching the point where CIA Headquarters Building included 25% of its office space (East wing floors 2 through 7) as a "Center" [redacted] 25X1 NPIC grew from a small exploitation center of four rooms [redacted] 25X1

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employees. And most of NSA's multi-building complex at Fort Meade is considered a single "center". To further compound the problem, it was recognized in the early 60s that "centers" as elements of the community with responsibility for exploitation, analysis and publication required access to "all sources". It was not practical to segregate SCI material by constructing contiguous "centers" and forcing people to move from one area to another. This requirement for access to all sources led naturally to approval of shared "centers" i.e. an approved SI Center would be co-designated as a TK Center [redacted]

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[redacted]

Collocation of Centers required that employees be approved for access to all materials in the "Centers" and the number of clearances mushroomed.

A third factor in expansion of Centers and proliferation of clearances had to do with the basic TK policy stipulation that all people with access to intelligence products from space required a TK access approval. When the 1960 Presidential Letter established the TK system,

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4. (C) Discussion

The Intelligence Community therefore now operates huge facilities employing thousands of people as "Centers" exempt from requirements of document control after initial receipt and exempt from E. O. mandates for TOP SECRET annual inventories. The volume of SCI material equates to close to 50% of all classified raw and finished intelligence. The authority for such operating procedures was reiterated in

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25X1 the June 1978 DCID 1/19. The authority for continued existence of the SI, TK [] systems was set forth in the NSC PD/37 Space Policy (although there was encouragement to selectively ease controls).

There has been talk within the OS of attempting to force compliance with inventory provisions of The Implementing Directive of E. O. 12065 for control of TOP SECRET in the SI arena. While the current draft of the implementing directives call for an annual inventory, there is a loophole big enough to back an old truck through;

"However, heads of Agencies may authorize the annual inventory of TOP SECRET information in repositories, libraries or activities which store large volumes of such information to be limited to documents to which access has been afforded within the past twelve months".

The Community is looking at CIA to see what the fall out will be from the Kampiles case. They are fully aware that CIA practices and procedures are driven by expediency balanced with reasonable security. They are aware that they operate under the same demands.

If CIA unilaterally adopts exceptional security controls, there will be commiseration.

If CIA's review of policy practices and procedures leads to a mandate for drastic revision of community wide policies and procedures, there will be exceptional resistance, and requirements for protracted deliberations will fall to the Security Committee.

The trend toward moderation and simplification we now see, will be reversed and security procedures will require commitment of unplanned and unscheduled resources.

It thus behooves us to view recommendations for security changes in CIA with an eye toward the impact on the community.



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